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UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

Michael L. Shoen, a resident of Arizona,

Plaintiff,

v.

Richard Symons, a resident of Great Britain;
Spirit Level Films, a British film distributing
entity; John Doe 1-10 and Jane Doe 1-10;
ABC Partnership 1-10; and XYZ Corporation
1-10,

Defendants.

No. 2:09-cv-01548-DGC

**PLAINTIFF'S RESPONSE TO
DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Currently pending is Defendants' motion for summary judgment on all claims [Doc. # 47] (the "Motion"). The Motion should be denied for several reasons, each of them independently sufficient to deny the Motion. Specifically, arguments Defendants make in support of their Motion are barred by the doctrines of waiver, estoppel and laches as well as issue preclusion and/or *res judicata*.¹ In addition, Defendants' Motion is procedurally flawed in that it makes claims and seeks remedies that Defendants should

¹ The test of laches is unreasonable delay and prejudice to the other party. *Gardner v. Panama R. Co.*, 342 U.S. 29, 30-31, 72 S.Ct. 12, 13, 96 L.Ed. (1951) 31; *Cities Service Oil Co. v. Puerto Rico Lighterage Co.*, 305 F. 2d 170, 171 (1st Cir. 1952) (both unreasonable delay and consequent prejudice).

1 have, at minimum, made and alleged in their Answer to the Verified Complaint (the
2 “Complaint”), but they failed to do it.

3 It is undisputed that the parties entered into a contract (Stipulation For Permanent
4 Injunction (the “Stipulation”)) in 2007. On March 23, 2007, that contract was reduced to
5 Permanent Injunction (“Injunction”) by this Court’s order. (Case No. 2:06-cv-03008-
6 DGC; *Shoen v. Symons et al.* (“2006 case”).)

7 By entering into the Stipulation, Defendants conceded the bases for the request for
8 permanent injunction asserted by Plaintiff, Michael Shoen (“Plaintiff” or “Michael
9 Shoen”) in the 2006 case. Defendants should not be allowed to vacate the Injunction and
10 contest the merits of the 2006 case, close to four years after its adjudicated conclusion.
11 Also, any compulsory counterclaims should have been alleged in the 2006 case.

12 It is also not disputed that Defendants breached the terms of the Stipulation and
13 Injunction. Defendants do not deny that they used the enjoined phrase “The Cobra-
14 Ferrari Wars” post-Injunction. [Defs’ SOF 25] But they assert that the breaches were
15 “*de minimis*.” [*Id.*] Whether they were *de minimis* (Plaintiff asserts they were not, *see*
16 Pl’s SSOF 16) and—if they were—whether that would excuse the breaches is for the
17 Court to decide.

18 Further, Defendants allege that Plaintiff’s Lanham Act and unfair competition
19 claims should be dismissed because Defendants did not copy verbatim Plaintiff’s book
20 THE COBRA-FERRARI WARS into their DVD (initially titled the same as Plaintiff’s book
21 and, after the 2007 Injunction, re-titled “The Snake and the Stallion” (the “DVD”) and
22 the phrase “The Cobra-Ferrari Wars” was not a registered trademark.

23 Because the book and the DVD are two different media of expression, the courts
24 addressing the similarities and infringement of one by the other engage in extensive
25 **factual** analysis.² It is possible to prove infringement by establishing that the “total
26

27 ² *See, e.g., Sheldon v. Metro-Goldwyn Pictures Corp.*, 81 F.2d 49, (2d Cir. 1936)
28 (plaintiff’s play, “Dishonored Lady,” held infringed by the motion picture, “Letty
Lynton”); *Stodart v. Mutual Film Corp.*, (DC NY 1917), *aff’d without opinion* 249 F.

1 concept and feel” of the two works is similar. *See Sid & Marty Krofft Television*
2 *Productions, Inc. v. McDonald's Corp.*, 562 F.2d 1157, 1167 (9th Cir.1977). *See also*
3 *Capital Films Corp. v Charles Fries Productions, Inc.*, 628 F.2d 387 (5th Cir. 1980)
4 (trial court erred in determining that motion picture title “The Trial of Lee Harvey
5 Oswald” did not constitute sufficiently novel idea to deserve protection as property right
6 without leaving such issue to jury, where movie production company and television
7 broadcaster produced and televised movie by same title which basically depicted same
8 theme.) And, that the trademark was not registered, does not change the fact that it may
9 be protected under the Lanham Act. 15 U.S.C. § 1125(a).

10 In his Complaint in this matter, Plaintiff pled alternative remedies of damages and
11 rescission. Plaintiff now forgoes rescission and requests only specific performance of the
12 2007 Stipulation and Injunction, with compensatory and incidental damages, including
13 attorney fees and costs.

14 The only issue before the Court on Defendants’ pending Motion should be
15 whether the Injunction has been violated, in breach of the parties’ 2007 Stipulation. If
16 the answer to this question is in the affirmative, Plaintiff—and not Defendants—is
17 entitled to judgment as a matter of law. *See Celotex Corp. v. Catrett*, 477 U.S. 317, 326
18 (1986) (court is free to enter summary judgment for a non-moving party if circumstances
19 so warrant and the party against whom the judgment is entered has an opportunity to
20 present all its relevant evidence). Thus, the Court is free to enter partial summary
21 judgment on breach of contract claim and award attendant remedies to Plaintiff.

22 Michael Shoen hereby submits this Response and Memorandum in opposition to
23 Defendants’ Motion (the “Response”). Plaintiff’s Response is supported by the following
24

25 513 (2d Cir. 1917) (plaintiff’s play, “The Woodsman,” held infringed by the motion
26 picture, “The Strength of Donald MacKenzie”); *Stonesifer v. Twentieth Century-Fox Film*
27 *Corp.*, 48 F. Sup. 196 (D.C. Cal. 1942)) *aff’d* 140 F.2d 579 (9th Cir. 1942) (plaintiff’s
28 copyrighted, unpublished dramatic composition, “Women’s Hotel,” held infringed by the
motion picture, “Hotel For Women”).

Memorandum, the Controverting and Separate Statement of Facts in support thereof and the entire record in this matter.

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MEMORANDUM

I. BACKGROUND

In 1990, after 19 years of original research, writing and design, Michael Shoen published an extraordinary 365-page book titled “The Cobra-Ferrari Wars 1963-1965.” The dust jacket describes it as “[t]he true story of Carroll Shelby’s war against Enzo Ferrari, and the cars and the men who made racing history.” Copyrighted in 1988, the book promptly won “Book of the Year” in England and “Best Book in the Field of Automotive History” in the United States. It received superlative reviews throughout the English-speaking world: “spectacular,” “stunning,” “the best,” “amazing,” “heartfelt,” “glorious,” “brilliant,” “essential,” “wonderful,” etc. [Plaintiff’s Separate Statement of Facts (“Pl’s SSOF”) 1 & 2] The book is now in its second edition, which is also copyrighted. [Pl’s SSOF 3]

Some ten years later, Shoen was approached by Defendant Richard Symons, who requested permission to use the title “The Cobra-Ferrari Wars” for a BBC film documentary. [Pl’s SSOF 4] In a letter to Shoen, Symons wrote: “As discussed, if you could grant me permission to use the title of your book I’d be very grateful.” [*Id.*]

Shoen granted Symons permission “for the limited purpose of titling or identifying [his] film,” under the condition that the usage would be clearly attributed to Michael Shoen, and be “one-time . . . with no sequels or part-twos.” [Pl’s SSOF 5] Symons breached the agreement he had with Shoen by using the phrase “The Cobra-Ferrari Wars” for (a) the BBC documentary **without** attribution, and (b) a two-disc DVD set sequel. [Pl’s SSOF 6] Symons also acquired, and used, the Internet domain names that included “cobraferrariwars”, further perpetuating the confusion between Shoen’s book and

1 Symons's DVD set. Shoen's attempts to settle the matter failed due to Symons' lack of
2 cooperation. [Pl's SSOF 8]

3 **II. UNDISPUTED FACTS**

4 On December 13, 2006, Michael Shoen filed a Verified Complaint in this Court,
5 seeking to enjoin Defendants from breaching the parties' 2001 and other relief. (Case No.
6 2:06-cv-03008-DGC; *Shoen v. Symons et al.*) [Pl's SSOF 9]

7 After Defendants obtained and considered the pleadings, they decided not to retain
8 counsel but instead agreed to stipulate to the permanent injunction Plaintiff sought, in
9 exchange for Plaintiff agreeing to dismiss the rest of the case. [Pl.'s SSOF 10 & Ex. A
10 thereto] Based on Defendants conceding (in the Stipulation they executed) the merits of
11 the injunctive relief sought by Michael Shoen, on March 23, 2007, this Court entered
12 Permanent Injunction (the "Injunction"), which contained the stipulated terms. [Pl.'s
13 SSOF 11] The purpose of the Stipulation and the Injunction was to enjoin Defendants
14 from using the phrase in any manner that would associate their DVD with Plaintiff, his
15 book or his website. [Pl's SSOF 22]

16 Pursuant to the Injunction, Defendants are permanently enjoined from (a) using
17 the title "The Cobra-Ferrari Wars," or any portion thereof, in any form and/or medium
18 whatsoever, including, but not limited to, in e-mail and Internet addresses and meta tags
19 [Pl.'s SSOF 12]; (b) selling, marketing or allowing to sell or market (and were supposed
20 to immediately destroy) all sets of the DVD that was subject of the 2006 law suit, i.e.,
21 DVD titled "The Cobra-Ferrari Wars." [Pl.'s SSOF 13]; (c) employing any means, which
22 would have indicated to the public that their product was in any way authorized by or
23 associated with Plaintiff, and they were not to use Plaintiff's name or the book title. [Pl.'s
24 SSOF 15] The Injunction allowed Defendants to continue selling the subject DVD set, so
25 long as it was re-published under an entirely different title, and did not include the phrase
26 "The Cobra-Ferrari Wars" or "Cobra" or "Ferrari" or any other language that would
27 suggest "The Cobra-Ferrari Wars" book. [Pl.'s SSOF 14]

1 While Defendants re-published the DVD with a different title, they did not remove
2 the phrase “The Cobra Ferrari Wars” from the movie and it still appears prominently,
3 immediately in the very beginning of the DVD and also as a visual/textual title on the
4 DVD-disc2. [Pl.’s SSOF 16] (Emphasis added.) **Defendants do not deny it.**

5 Defendants also took a cavalier approach to using the phrase in communications
6 with third parties. For example, James Bonney, Defendant Spirit Level Films’ employee,
7 marketed the DVD as 'The Snake and the Stallion' (aka The Cobra-Ferrari Wars). [Pl.’s
8 SSOF 17] While Defendants allege these were innocent mistakes, among their
9 documents they produced only very few e-mails from and to Mr. Bonney, asserting that
10 he communicated a lot from his private laptop and is no longer employed by Defendant
11 SLF. It was a curious explanation, as Mr. Bonney’s utilized the company’s e-mail
12 address. Thus where he sent to or received the e-mails from, should have been of no
13 moment for the purposes of capturing that correspondence. Further, the text of various
14 internet announcement by “anonymous” authors, tracks very closely Mr. Bonney’s
15 narrative regarding The Snake and the Stallion being “aka The Cobra Ferrari Wars.”
16 [Pl.’s SSOF 23 & Ex. A thereto] At the time the Complaint in this matter was filed, some
17 vendors still advertised the DVD as “The Cobra Ferrari Wars” although what they ship, is
18 the re-titled version. [Pl.’s SSOF 18]

19 Despite the Injunction, Defendants admittedly continued using the phrase they
20 stipulated not to use. Not only, during the first minute or so of the DVD (and in the
21 internet trailer), the narrator prominently mentions “The Cobra-Ferrari Wars,” but also
22 **the phrase “The Cobra Ferrari Wars” appears as a title, on DVD-disc 2** [Pl.’s SSOF
23 16], and the Internet searches for the words and phrases prohibited by the Stipulation and
24 Injunction, inevitably lead to Defendants’ re-named DVD set, and, conversely, search for
25 the “snake and the stallion” pulls up the DVD set, with the attendant description
26 “formerly known as The Cobra Ferrari Wars.” [Pl.’s SSOF 19]

27 During his deposition, Defendant Symons testified that (a) he reviewed the
28 Stipulation, before signing it and that it was fairly clearly written and he understood it

[Pl's SSOF 20], and (b) he and his company complied with the Stipulation and Injunction. [Pl's SSOF 21]

III. LEGAL STANDARD

The legal standard for granting summary judgment is clear, well established and not disputed by the parties. Rule 56, Federal Rules of Civil Procedure, provides that summary judgment should be granted when there is no genuine dispute about material facts and when the moving party is entitled to judgment as a matter of law. In other words, where there is no genuine factual dispute or if any factual dispute exists it is immaterial to the outcome of the case, summary judgment should be granted. *Celotex Corp. v. Catrett*, 477 U.S. 317, 326 (1986). The moving party has the burden to show that material facts are not genuinely disputed. To meet this burden, the moving party must point out the lack of evidence supporting the nonmoving party's claim, but need not produce evidence negating that claim. *Id.* at 325.

Once the moving party meets its burden, the nonmoving party must demonstrate that a genuine issue exists by presenting evidence indicating that certain facts are disputed to such an extent that a fact-finder must resolve the dispute at trial. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248-49 (1986). The court then must view this evidence in the light most favorable to the nonmoving party, must not assess its credibility, and must draw all justifiable inferences from it in favor of the nonmoving party. *Id.* at 255; *Soldano v. United States*, 453 F.3d 1140, 1143 (9th Cir. 2006) (citation omitted).

IV. DISCUSSION

In their Motion, Defendants allege that the first contract (2001) between Plaintiff and Defendants was "invalid due to Plaintiff's material misrepresentation." [Defs.' Mot. at 8] According to Defendants, the fact that Michael Shoen mistakenly referred in his letter to Defendant Symons to his book as being trademark-registered [See Complaint: Ex. C: Letter from Symons to Shoen dated September 7, 2001 and Ex. D: Letter from Shoen to Symons dated September 20, 2001] constituted a material representation

1 invalidating the agreement. Defendants also allege that the Stipulation (and, therefore,
 2 Injunction) is ambiguous and constitutes a contract of adhesion. Even if Defendants were
 3 correct (they are not, as discussed later herein), they have waived these arguments, when
 4 they stipulated to the Injunction and are estopped from bringing them now.

5 In addition, in their Motion, Defendants make a new claim, that the 2007
 6 Injunction should be dissolved or modified. However, the Injunction constitutes
 7 adjudication of the 2006 case and, therefore, Defendants' allegations are precluded by
 8 judicial estoppel and/or *res judicata*. Further, doctrine of laches precludes re-opening of
 9 the 2006 case due to the passage of time (close to four years from the Court Order
 10 Defendants seek to vacate or modify) and Defendants waived their claims when they did
 11 not assert them in the 2006 litigation. Defendants never moved for relieve from the 2007
 12 Court order and, also in this matter, Defendants did not assert a counterclaim for
 13 declaratory judgment or modification of the Injunction.

14 **A. The Stipulation and Injunction Preclude Re-Litigating The Validity of**
 15 **the Parties' Contracts**

16 It is the well-established legal principle that issues that were previously
 17 adjudicated in earlier proceedings between the same parties should not be re-litigated.
 18 Because the parties' 2007 stipulation was reduced to judgment, Defendants are precluded
 19 from raising issues that they had conceded in that case.³ *See also Brown v. Felsen*, 442
 20 U.S. 127, 99 S. Ct. 2205, 60 L. Ed. 2d 767 (1979) (*res judicata* encourages reliance on
 21 judicial decision, bars vexatious litigation, and frees the courts to resolve other disputes).

22 ³ "The conclusion of the earlier contract lawsuit with a consent judgment does not
 23 prevent the earlier judgment from having a *res judicata* effect." *Martino v. McDonald's*
 24 *System, Inc.*, 598 F. 2d 1079 (7th Cir. 1979) *certiorari denied* 1979, 100 S. Ct. 455, 444
 25 U.S. 966, 62 L.Ed.2d 379. *Compare Rein v. Providian Fin. Corp.*, 270 F. 3d 895, 899-
 26 900 (9th Cir. 2001) (Because of its voluntary nature, a settlement agreement that is not
 27 approved by a subsequent court order can have no preclusive effect regarding the
 28 question of whether the debt reaffirmed would have been held to be nondischargeable if
 the nondischargeability issue had been litigated. "Thus, a reaffirmation agreement
 unaccompanied by a court order is not a final judgment on the merits and cannot be given
 preclusive effect.") *A fortiori*, contrary is true in opposite circumstances.

1 Having conceded the bases for the permanent injunction that was sought by Shoen
 2 in the 2006 case, Defendants should not be allowed to revisit the validity and
 3 enforceability of the Injunction. Even if there were any grounds for vacating the
 4 Injunction (there are not), the time that has elapsed from its entry is too long. And,
 5 Defendants provided no reasons why they could not assert the same arguments they
 6 assert now in the 2006 litigation. Defendants cite to no law that would give a party to
 7 litigation a second bite of an apple for the sole reason that he chose not to consult or
 8 retain an attorney or make his arguments in the prior litigation. Thus, whether or not the
 9 2006 litigation was meritorious (Plaintiff asserts it was), once the stipulated Injunction
 10 was entered (and in force for close to four years), Defendants are precluded from raising
 11 the issue of the validity of their contracts or any other issues that could have been raised
 12 in 2006.

13 Having said that, even if Defendants were allowed to question the validity of the
 14 2006 or 2001 agreement between them, both agreements were valid.

15 **B. The 2007 Agreement between the Parties (the Stipulation that led to**
 16 **the Injunction) is Valid**

17 In 2007, Symons entered into the Stipulation for Permanent Injunction to avoid
 18 costs of litigating the underlying claims, thus obtaining value. He had a choice to litigate
 19 or not, and chose to settle. He should now be held to that bargain.

20 **1. The 2007 Stipulation Is Not “fatally ambiguous”**

21 Defendants allege that the 2007 Stipulation is ambiguous. The Stipulation and
 22 Injunction that incorporates it speak for themselves. [Pl’s SSOF 11-16] They do not
 23 exist in a vacuum, but were a result of a lawsuit that made specific allegations against the
 24 Defendants. Defendants were fully aware that the subject matter of the lawsuit was the
 25 breach of the 2001 agreement between Shoen and Symons, in that Symons used phrase
 26 “The Cobra Ferrari Wars” in violations of the terms of the 2001 agreement between the
 27 parties and that the goal of the lawsuit was to enjoin Defendants from using that phrase in
 28

1 connection with their DVD, *inter alia*, to avoid any confusion as to the origin of the DVD
2 and/or affiliation of the DVD authors with Michael Shoen.⁴

3 It is against this background that the Stipulation and the Injunction must be read.
4 And, if Symons did not understand it, he should not have signed it. When he signed it, he
5 committed himself to its content. [Pl's SSOF 20] For Defendants to now concoct an
6 argument that the Injunction did not prohibit them from using the phrase "The Cobra
7 Ferrari Wars" to refer to the "former" title of their DVD is as convoluted as it is
8 disingenuous. Defendants are well aware that the goal of the 2006 lawsuit was to make
9 sure that there is no confusion between the DVD and Shoen's book and that the
10 prohibition on using the phrase was meant (and formulated) in a broadest possible
11 manner. The interpretation Defendants attempt to urge on the Court is unsupported by
12 the language of the Stipulation and Injunction. If Symons believed that the Injunction
13 prohibited him from using the definite article "the" or a word "Cobra", he would not have
14 signed the Stipulation. But he did, because he fully understood what the Injunction
15 meant. Defendants' argument is absurd.

16 Finally, that counsel for Shoen agreed to issuance of a one-time announcement to
17 the vendors regarding this Court's issuance of injunctive order, cannot be interpreted as a
18 blanket license to use the title in the subsequent **marketing** efforts like those by James
19 Bonney. [Pl's SSOF 18]. Again, Defendants' argument is absurd. It is interesting that
20 Defendants rely on *Darner Motor Sales, Inc. v. Universal Underwriters Ins. Co.*, 140
21 Ariz. 383, 682 P.2d 388 in support of their argument that ambiguities in a contract are
22 resolved against the party who drafted the agreement. [Defs' Mot. at 13] First, *Darner*
23 is an insurance case that interprets an automobile insurance policy, where Mr. Justice
24 Feldman stated poignantly that applying "ordinary contract law to insurance policies"
25 results in mischief. *Id.* 388, 682 P.2d at 393. While his warning against inventing

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27 ⁴ The DVD, while based on Plaintiff's book, also contains many errors and
28 inaccuracies contributed by the Defendants, as pointed out in a complaint BBC received
from a viewer. [Pl's SSOF 30]

ambiguities where none existed was directed to the courts adjudicating insurance cases, it appears to be well suited to Defendants' argument here. *Darner* also held that "the law of contracts attempts the realization of *reasonable expectations that have been induced* by the making of a promise." [*Id.*, quoting 1 Corbin, *Contracts* § 1 at 2 (1963)] Here, Shoen's reasonable expectation was that—in exchange for Shoen forgoing the litigation—Symons would comply with the intent of the Stipulation he executed.

2. The 2007 Stipulation is not a "contract of adhesion"

Defendants allege that the 2007 Stipulation is a "contract of adhesion" because Shoen's counsel's e-mail presented it to Symons as a "take it or leave it" proposition. In support, Defendants rely on *Burkons v. Ticor Title Co. of California*, 165 Ariz. 299, 311, 798 P.2d 1308, 1320 (Ariz. App. 1989), quoting the definition of adhesion contract as a standardized contract offered on a "take it or leave" it basis, normally drafted and imposed by a party enjoying superior bargaining strength and offered to a weaker party who has no realistic choice to the terms. [Defs' Mot. at 13] *Burkons* involved breach of contract and bad faith allegations against an escrow agent. The Arizona Court of Appeals, reversing the trial court, found an escrow contract to be one of adhesion. Defendants forget to mention that the same opinion quotes from *Schlobohm v. Spa Petite, Inc.*, 326 N.W.2d 920, 924 (Minn. 1982) to further expand the definition: "adhesion contract" is standard, printed form contract offered to the public by an industry so powerful as to be able to effectively impose terms.⁵ Here, **the Stipulation is not such a "standard, printed form contract" and Shoen and his counsel are not an "industry capable of imposing terms" on Symons.** Symons is an intelligent, educated individual, who could have retained counsel but chose to act as his own lawyer in the 2006 case. He could have proposed other terms than those offered by the Stipulation or could have decided to litigate, like he did in the matter currently before the Court. But he chose to accept the

⁵ *Burkons* was reversed by the Arizona Supreme Court. 168 Ariz. 345, 813 P.2d 710 (1991). The reversal did not discuss the definitions of contract of adhesion.

1 Stipulation and he should be bound by it, now. Likewise, Symons could have removed
2 the phrase “The Cobra Ferrari Wars” from the re-mastered DVD discs, in compliance
3 with the parties’ agreement. But he chose not to do it, apparently believing that leaving
4 the phrase in the DVD and goodwill that comes with it would benefit him.

5 **3. The Stipulation Is Not Against Public Policy**

6 Defendants argue that the Stipulation (and by inference also the Injunction) is against
7 public policy, because it enjoins them from using the phrase “The Cobra Ferrari-Wars” that is the
8 title of Michael Shoen’s book. Defendants err. That the phrase used by Michael Shoen in other
9 contexts is also a title of his book does not change the fact that it also is a trademark, although
10 unregistered at the time, and that using it may affect the goodwill of Shoen’s book and related
11 endeavors. In *1800 Ocotillo, LLC v. WLB Group, Inc.*, 219 Ariz. 200, 196 P.3d 222 (2008), on
12 which Defendants rely, the Arizona Supreme Court actually found that the contested contractual
13 clauses were not contrary to public policy (vacating contrary opinion of the Arizona Court of
14 Appeals and remanding).⁶ Again, Defendants had a choice in the 2006 case to consult an
15 attorney and litigate the issues they now raise, but they chose not to do it.

16
17 Defendants argue also that the Injunction should be dissolved or modified to
18 prevent “consumers' confusion.” [Mot at 15] However, the confusion they refer to is one
19 they created, between their own former product and their own re-titled product.
20 Defendants provided no evidence of confusion between their two sets of DVDs, but even
21 if there was some anecdotic evidence, any “confusion” between their own products is of
22 Defendants’ own doing and they should be the ones remedying it. (Perhaps the best way
23 to avoid that confusion would be if Defendants stopped selling any more “confusing”
24 DVDs altogether.) Defendants have admitted to having sold approximately 10,000

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26 ⁶ The case involved a dispute between real estate developer and an engineering
27 firm. Plaintiff in that case argued that certain liability limiting clauses in a contract were
28 not enforceable as against public policy. Mr. Justice Bales held that they were not
contrary to public policy.

1 copies of DVD, since 2008. [Pl SSOF 31] They have provided no evidence of buyers'
2 confusion of their two versions of DVD.

3 **C. The 2001 Agreement Between the Parties was Valid**

4 Defendants allege also that the 2001 agreement between Shoen and Symons was
5 void, because of the fact that Shoen, in his letter responding to Symons, referred to the
6 Cobra-Ferrari Wars as trademark-registered. Defendants allege that this constituted
7 “material representation.” [Defs’ Mot at 8] Defendants forget that it was Richard
8 Symons who contacted Michael Shoen in 2001, asking for permission to make a movie
9 with the same title about similar topic, without mentioning the trademark. [PL’s SSOF 4]
10 Symons wanted to use the same phrase, because he clearly understood that the book’s
11 success would help promote his movie by association. Unambiguously, he believed that
12 he needed Shoen’s permission, before he received Shoen’s written response.
13 Consequently, he could not have relied on any “representation” Shoen made in that letter.
14 Nowhere in his disclosures or other testimony does Symons allege that, when he asked
15 Shoen’s permission, he did it because Shoen first told him the phrase or the book or the
16 title was trademark-registered. Shoen clearly confused, at the time, the registered
17 copyrighted status of his book with trademark registration. Notwithstanding, while yet
18 unregistered, “The Cobra-Ferrari Wars” was protected under the common law and the
19 Lanham Act.⁷ [And, while Defendants make much of the fact that Shoen is an attorney
20 by education, and practiced in the past, they ignore the rest of his deposition testimony,
21 where he stated that he practiced in the areas of product liability and criminal law, not
22 intellectual property law. [Pl’s CSOF 16 & SSOF Ex. A]

23 While an unregistered trademark does not benefit from the protection afforded to
24 trademarks through registration, it may however benefit from protection due to other
25 features of the law in relation to trademarks, such as protection for unregistered marks. It
26

27 _____
28 ⁷ Michael Shoen’s application for trademark registration is pending. [Pl SSOF Ex.
D]

1 results from passing off law⁸ (a common law tort that may be used to enforce rights in
 2 unregistered trademarks, such as the goodwill of a trader from a misrepresentation that
 3 causes damage to that goodwill). The registration, both federal or state, is not required to
 4 obtain rights in a trademark. An unregistered mark may still receive common law
 5 trademark rights. An unregistered mark may also be protected under the Lanham Act's
 6 (15 USC § 1125) prohibition against commercial misrepresentation of source or origins
 7 of goods.

8 Further, the agreement between Shoen and Symons was not just Shoen's
 9 permission for Symons to use the phrase in some random setting. Rather, it was a
 10 permission to use it for a film about the same events, which was based on Plaintiff's
 11 book, and—under the parties' agreement—was supposed to have attribution: "based
 12 on..." and "with permission..."; it was also supposed to be for a single broadcast. [Pl's
 13 SSOFF 5] In short, while The Cobra-Ferrari Wars was not a registered trademark, it was
 14 a trademark nevertheless and Shoen gave permission to Symons to use it, under specified
 15 conditions. Even if The Cobra-Ferrari Wars" were not a trademark, as stated before,
 16 Symons did not ask permission to use it because he sought it was. The parties' 2001
 17 agreement was valid.

18 Symons breached that agreement by failing to attribute the movie to Shoen's book,
 19 while basing the movie on the book and using the same phrase as Shoen coined for his
 20 book (and, in addition, exceeded the agreed upon number of broadcasts). Finally, even if
 21

22 ⁸ The common-law tort of passing off has been described as follows:

23 "Beginning in about 1803, English and American common law slowly developed
 24 an offshoot of the tort of fraud and deceit and called it 'passing off' or 'palming
 25 off.' Simply stated . . . a tort consists of one passing off his goods as the goods
 26 of another. In 1842 Lord Langdale wrote: 'I think that the principle on which
 both the courts of law and equity proceed is very well understood. A man is not
 to sell his own goods under the pretence that they are the goods of another
 man....'"

27 1 J. McCarthy, Trademarks and Unfair Competition § 5.2, p. 133 (2d ed. 1984)
 28 (McCarthy) (footnotes omitted).

1 the 2001 contract were void in its entirety (it is not), the argument is waived and barred
2 by laches (nine years passed since Shoen and Symons entered into 2001 agreement) and
3 also, as discussed herein, because Symons conceded it by agreeing to stipulate to the
4 2007 Injunction.

5
6
7 **CONCLUSION**

8 For all the forgoing reasons, Defendants' Motion should be denied. If the Court
9 finds that the 2007 Stipulation constitutes a valid contract and that both it and the
10 resulting Injunction were breached, the Court is free to enter a judgment it in favor of a
11 nonmoving party. *Celotext*, supra.

12 Dated: December 23, 2010.

13 **LAW OFFICE OF MARIA SALAPSKA, PLLC**

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CERTIFICATE OF SERVICE

I certify that, on December 23, 2010, I electronically transmitted the attached document to the Clerk's Office using the CM/EFC System for filing and transmittal of a Notice of Electronic Filing to the following CM/ECF registrants:

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I certify also that, on December 23, 2010, I also transmitted the attached document to the above stated counsel for defendants via e-mail.

s/ Maria Salapska